

**FISCAL BIENNIUM 2006-2008 COMMONWEALTH BUDGET  
FINAL BUDGET MEMORANDUM**

**JUDICIAL BRANCH**

**Legislative Research Commission**

**June 7, 2006**

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# FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## JUDICIAL BRANCH OPERATING BUDGET

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>TOTAL FUNDS</b>									
<b>REGULAR APPROPRIATIONS SUMMARY BY APPROPRIATION UNIT</b>									
Court Operations & Administration	191,815,700	191,815,700		223,835,800	204,092,900	(19,742,900)	234,337,700	217,092,000	(17,245,700)
Local Facilities Fund	60,083,700	60,083,700		62,889,500	60,798,700	(2,090,800)	87,655,300	82,545,900	(5,109,400)
Use Allowance Contingency Fund									
Judicial Form Retirement System	2,303,300	2,303,300		3,247,500	3,247,500		3,255,200	3,255,200	
<b>Regular Appropriation</b>	<b>254,202,700</b>	<b>254,202,700</b>		<b>289,972,800</b>	<b>268,139,100</b>	<b>(21,833,700)</b>	<b>325,248,200</b>	<b>302,893,100</b>	<b>(22,355,100)</b>

# FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## JUDICIAL BRANCH OPERATING BUDGET

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>GENERAL FUND</b>									
<b>REGULAR APPROPRIATIONS SUMMARY BY APPROPRIATION UNIT</b>									
Court Operations & Administration	170,316,000	170,316,000		202,585,300	180,542,400	(22,042,900)	213,121,100	193,575,400	(19,545,700)
Local Facilities Fund	60,083,700	60,083,700		62,889,500	60,798,700	(2,090,800)	87,655,300	82,545,900	(5,109,400)
Use Allowance Contingency Fund									
Judicial Form Retirement System	2,303,300	2,303,300		3,247,500	3,247,500		3,255,200	3,255,200	
<b>Regular Appropriation</b>	<b>232,703,000</b>	<b>232,703,000</b>		<b>268,722,300</b>	<b>244,588,600</b>	<b>(24,133,700)</b>	<b>304,031,600</b>	<b>279,376,500</b>	<b>(24,655,100)</b>

## GENERAL FUND

### CONTINUED RESERVE SPENDING SUMMARY BY APPROPRIATION UNIT

Local Facilities Fund	2,038,800	2,038,800		2,060,000	2,060,000		3,907,700	3,907,700	
Use Allowance Contingency Fund	89,100	89,100							
<b>Reserve Spending</b>	<b>2,127,900</b>	<b>2,127,900</b>		<b>2,060,000</b>	<b>2,060,000</b>		<b>3,907,700</b>	<b>3,907,700</b>	

# FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## JUDICIAL BRANCH OPERATING BUDGET

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>RESTRICTED FUNDS</b>									
<b>REGULAR APPROPRIATIONS SUMMARY BY APPROPRIATION UNIT</b>									
Court Operations & Administration	18,463,000	18,463,000		19,480,600	21,780,600	2,300,000	19,785,100	22,085,100	2,300,000
<b>Regular Appropriation</b>	<b>18,463,000</b>	<b>18,463,000</b>		<b>19,480,600</b>	<b>21,780,600</b>	<b>2,300,000</b>	<b>19,785,100</b>	<b>22,085,100</b>	<b>2,300,000</b>

# FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## JUDICIAL BRANCH OPERATING BUDGET

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>FEDERAL FUNDS</b>									
<b>REGULAR APPROPRIATIONS SUMMARY BY APPROPRIATION UNIT</b>									
Court Operations & Administration	3,036,700	3,036,700		1,769,900	1,769,900		1,431,500	1,431,500	
<b>Regular Appropriation</b>	<b>3,036,700</b>	<b>3,036,700</b>		<b>1,769,900</b>	<b>1,769,900</b>		<b>1,431,500</b>	<b>1,431,500</b>	

## X - Judicial Branch

## Operating Budget

## Summary Totals

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	232,703,000	232,703,000		268,722,300	244,588,600	(24,133,700)	304,031,600	279,376,500	(24,655,100)
Restricted Funds	18,463,000	18,463,000		19,480,600	21,780,600	2,300,000	19,785,100	22,085,100	2,300,000
Federal Funds	3,036,700	3,036,700		1,769,900	1,769,900		1,431,500	1,431,500	
<b>Regular Total Funds</b>	<b>254,202,700</b>	<b>254,202,700</b>		<b>289,972,800</b>	<b>268,139,100</b>	<b>(21,833,700)</b>	<b>325,248,200</b>	<b>302,893,100</b>	<b>(22,355,100)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL FUNDS</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>289,972,800</b>	<b>270,199,100</b>	<b>(19,773,700)</b>	<b>325,248,200</b>	<b>306,800,800</b>	<b>(18,447,400)</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	170,446,000	170,446,000		190,997,700	173,204,200	(17,793,500)	205,285,300	188,961,500	(16,323,800)
Operating Expenses	84,522,800	84,522,800		97,200,800	95,270,600	(1,930,200)	115,474,000	113,360,400	(2,113,600)
Capital Outlay	1,361,800	1,361,800		1,774,300	1,724,300	(50,000)	4,488,900	4,478,900	(10,000)
<b>TOTAL EXPENDITURES</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>289,972,800</b>	<b>270,199,100</b>	<b>(19,773,700)</b>	<b>325,248,200</b>	<b>306,800,800</b>	<b>(18,447,400)</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund	232,703,000	232,703,000		231,696,000	229,636,000	(2,060,000)	255,057,900	251,150,200	(3,907,700)
Restricted Funds	18,463,000	18,463,000		17,159,600	17,159,600		16,401,200	16,401,200	
Federal Funds	3,036,700	3,036,700		1,634,400	1,634,400		1,269,200	1,269,200	
<b>Regular Total Funds</b>	<b>254,202,700</b>	<b>254,202,700</b>		<b>250,490,000</b>	<b>248,430,000</b>	<b>(2,060,000)</b>	<b>272,728,300</b>	<b>268,820,600</b>	<b>(3,907,700)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL BASE LEVEL</b>	<b>256,330,600</b>	<b>256,330,600</b>		<b>250,490,000</b>	<b>250,490,000</b>		<b>272,728,300</b>	<b>272,728,300</b>	

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund				37,026,300	14,952,600	(22,073,700)	48,973,700	28,226,300	(20,747,400)
Restricted Funds				2,321,000	4,621,000	2,300,000	3,383,900	5,683,900	2,300,000
Federal Funds				135,500	135,500		162,300	162,300	
<b>TOTAL ADDITIONAL</b>				<b>39,482,800</b>	<b>19,709,100</b>	<b>(19,773,700)</b>	<b>52,519,900</b>	<b>34,072,500</b>	<b>(18,447,400)</b>

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## FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## X - Judicial Branch

## Operating Budget

## Court of Justice Summary

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	230,399,700	230,399,700		265,474,800	241,341,100	(24,133,700)	300,776,400	276,121,300	(24,655,100)
Restricted Funds	18,463,000	18,463,000		19,480,600	21,780,600	2,300,000	19,785,100	22,085,100	2,300,000
Federal Funds	3,036,700	3,036,700		1,769,900	1,769,900		1,431,500	1,431,500	
<b>Regular Total Funds</b>	<b>251,899,400</b>	<b>251,899,400</b>		<b>286,725,300</b>	<b>264,891,600</b>	<b>(21,833,700)</b>	<b>321,993,000</b>	<b>299,637,900</b>	<b>(22,355,100)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL FUNDS</b>	<b>254,027,300</b>	<b>254,027,300</b>		<b>286,725,300</b>	<b>266,951,600</b>	<b>(19,773,700)</b>	<b>321,993,000</b>	<b>303,545,600</b>	<b>(18,447,400)</b>

**II. EXPENDITURE CATEGORY**

Personnel Costs	170,055,200	170,055,200		190,585,400	172,791,900	(17,793,500)	204,865,300	188,541,500	(16,323,800)
Operating Expenses	82,610,300	82,610,300		94,365,600	92,435,400	(1,930,200)	112,638,800	110,525,200	(2,113,600)
Capital Outlay	1,361,800	1,361,800		1,774,300	1,724,300	(50,000)	4,488,900	4,478,900	(10,000)
<b>TOTAL EXPENDITURES</b>	<b>254,027,300</b>	<b>254,027,300</b>		<b>286,725,300</b>	<b>266,951,600</b>	<b>(19,773,700)</b>	<b>321,993,000</b>	<b>303,545,600</b>	<b>(18,447,400)</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund	230,399,700	230,399,700		229,392,700	227,332,700	(2,060,000)	252,754,600	248,846,900	(3,907,700)
Restricted Funds	18,463,000	18,463,000		17,159,600	17,159,600		16,401,200	16,401,200	
Federal Funds	3,036,700	3,036,700		1,634,400	1,634,400		1,269,200	1,269,200	
<b>Regular Total Funds</b>	<b>251,899,400</b>	<b>251,899,400</b>		<b>248,186,700</b>	<b>246,126,700</b>	<b>(2,060,000)</b>	<b>270,425,000</b>	<b>266,517,300</b>	<b>(3,907,700)</b>
Use of Continuing	2,127,900	2,127,900			2,060,000	2,060,000		3,907,700	3,907,700
<b>TOTAL BASE LEVEL</b>	<b>254,027,300</b>	<b>254,027,300</b>		<b>248,186,700</b>	<b>248,186,700</b>		<b>270,425,000</b>	<b>270,425,000</b>	

**IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE**

General Fund				36,082,100	14,008,400	(22,073,700)	48,021,800	27,274,400	(20,747,400)
Restricted Funds				2,321,000	4,621,000	2,300,000	3,383,900	5,683,900	2,300,000
Federal Funds				135,500	135,500		162,300	162,300	
<b>TOTAL ADDITIONAL</b>				<b>38,538,600</b>	<b>18,764,900</b>	<b>(19,773,700)</b>	<b>51,568,000</b>	<b>33,120,600</b>	<b>(18,447,400)</b>

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**X - Judicial Branch****Operating Budget****Court Operations & Administration**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	170,316,000	170,316,000		202,585,300	180,542,400	(22,042,900)	213,121,100	193,575,400	(19,545,700)
Restricted Funds	18,463,000	18,463,000		19,480,600	21,780,600	2,300,000	19,785,100	22,085,100	2,300,000
Federal Funds	3,036,700	3,036,700		1,769,900	1,769,900		1,431,500	1,431,500	
<b>Regular Total Funds</b>	<b>191,815,700</b>	<b>191,815,700</b>		<b>223,835,800</b>	<b>204,092,900</b>	<b>(19,742,900)</b>	<b>234,337,700</b>	<b>217,092,000</b>	<b>(17,245,700)</b>
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>191,815,700</b>	<b>191,815,700</b>		<b>223,835,800</b>	<b>204,092,900</b>	<b>(19,742,900)</b>	<b>234,337,700</b>	<b>217,092,000</b>	<b>(17,245,700)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	168,388,000	168,388,000		188,912,800	171,419,300	(17,493,500)	203,105,300	187,131,500	(15,973,800)
Operating Expenses	22,857,800	22,857,800		33,458,100	31,258,700	(2,199,400)	30,662,500	29,400,600	(1,261,900)
Capital Outlay	569,900	569,900		1,464,900	1,414,900	(50,000)	569,900	559,900	(10,000)
<b>TOTAL EXPENDITURES</b>	<b>191,815,700</b>	<b>191,815,700</b>		<b>223,835,800</b>	<b>204,092,900</b>	<b>(19,742,900)</b>	<b>234,337,700</b>	<b>217,092,000</b>	<b>(17,245,700)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	170,316,000	170,316,000		167,334,000	167,334,000		167,334,000	167,334,000	
Restricted Funds	18,463,000	18,463,000		17,159,600	17,159,600		16,401,200	16,401,200	
Federal Funds	3,036,700	3,036,700		1,634,400	1,634,400		1,269,200	1,269,200	
<b>Regular Total Funds</b>	<b>191,815,700</b>	<b>191,815,700</b>		<b>186,128,000</b>	<b>186,128,000</b>		<b>185,004,400</b>	<b>185,004,400</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>191,815,700</b>	<b>191,815,700</b>		<b>186,128,000</b>	<b>186,128,000</b>		<b>185,004,400</b>	<b>185,004,400</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				35,251,300	13,208,400	(22,042,900)	45,787,100	26,241,400	(19,545,700)
Restricted Funds				2,321,000	4,621,000	2,300,000	3,383,900	5,683,900	2,300,000
Federal Funds				135,500	135,500		162,300	162,300	
<b>TOTAL ADDITIONAL</b>				<b>37,707,800</b>	<b>17,964,900</b>	<b>(19,742,900)</b>	<b>49,333,300</b>	<b>32,087,600</b>	<b>(17,245,700)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 DC Defined Calculation</b>									
ABR025ADC000 Provide appropriate funds for salary increases, retirement contribution, and health insurance.									
General Fund				9,197,200	4,838,900	(4,358,300)	18,296,700	9,210,400	(9,086,300)
Restricted Funds				1,545,500	1,545,500		2,553,400	2,553,400	
Federal Funds				107,900	107,900		132,500	132,500	
<b>Project Total</b>				<b>10,850,600</b>	<b>6,492,300</b>	<b>(4,358,300)</b>	<b>20,982,600</b>	<b>11,896,300</b>	<b>(9,086,300)</b>

**X - Judicial Branch****Operating Budget****Court Operations & Administration**

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>2 CONT Court Operations and Administration - Vacant Positions</b>								
ABR025A0001	Provide restricted funds to fill positions that were vacant August 1, 2005.							
General Fund			3,351,200		(3,351,200)	3,586,500		(3,586,500)
Restricted Funds			775,500	775,500		830,500	830,500	
Federal Funds			27,600	27,600		29,800	29,800	
<b>Project Total</b>			<b>4,154,300</b>	<b>803,100</b>	<b>(3,351,200)</b>	<b>4,446,800</b>	<b>860,300</b>	<b>(3,586,500)</b>
<b>3 NEW Court Operations and Administration - Circuit Court</b>								
ABR025A0006	Provide funds for eight new circuit judges authorized by the 2005 General Assembly.							
General Fund			3,066,200	3,066,200		4,321,400	4,321,400	
<b>Project Total</b>			<b>3,066,200</b>	<b>3,066,200</b>		<b>4,321,400</b>	<b>4,321,400</b>	
<b>4 N/A Court Operations and Administration - AOC</b>								
ABR025A0012	Provide funding to maintain mileage reimbursement rate increase from \$.35 to \$.43.							
General Fund			668,300		(668,300)	668,300		(668,300)
<b>Project Total</b>			<b>668,300</b>		<b>(668,300)</b>	<b>668,300</b>		<b>(668,300)</b>
<b>5 RFF Court Operations and Administration - AOC</b>								
ABR025A0002	Provide funding for five adult and five juvenile drug courts that will lose federal funds.							
General Fund			1,448,200	1,300,000	(148,200)	1,918,600	1,725,000	(193,600)
<b>Project Total</b>			<b>1,448,200</b>	<b>1,300,000</b>	<b>(148,200)</b>	<b>1,918,600</b>	<b>1,725,000</b>	<b>(193,600)</b>
<b>6 RRF Court Operations and Administration - AOC</b>								
ABR025A0003	Provide restricted funds for seven regional and two county adult drug courts and one juvenile drug court.							
General Fund			2,309,100		(2,309,100)	2,368,400		(2,368,400)
Restricted Funds				2,300,000	2,300,000		2,300,000	2,300,000
<b>Project Total</b>			<b>2,309,100</b>	<b>2,300,000</b>	<b>(9,100)</b>	<b>2,368,400</b>	<b>2,300,000</b>	<b>(68,400)</b>
<b>7 EXPAN Court Operations and Administration - AOC</b>								
ABR025A0004	Provide funds to allow eight drug courts to expand the current level of services provided.							
General Fund			1,191,600		(1,191,600)	1,173,600	980,000	(193,600)
<b>Project Total</b>			<b>1,191,600</b>		<b>(1,191,600)</b>	<b>1,173,600</b>	<b>980,000</b>	<b>(193,600)</b>
<b>8 NEW Court Operations and Administration - AOC</b>								
ABR025A0005	Provide funds for 20 new drug courts serving 42 counties. This will make the drug court program statewide.							
General Fund			5,484,900		(5,484,900)	5,363,200	4,770,000	(593,200)
<b>Project Total</b>			<b>5,484,900</b>		<b>(5,484,900)</b>	<b>5,363,200</b>	<b>4,770,000</b>	<b>(593,200)</b>

**X - Judicial Branch****Operating Budget****Court Operations & Administration**

		Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
9	NEW	Court Operations and Administration - Circuit Clerks								
ABR025A0014		Provide funds to increase entry salary rate from \$16,800 to \$18,100 and provide salary adjustments for all Deputy Clerks making less than \$40,000.								
General Fund					1,213,900	1,213,900		1,274,500	1,274,500	
Project Total					1,213,900	1,213,900		1,274,500	1,274,500	
10	NEW	Court Operations and Administration - Circuit Court								
ABR025A0007		Provide funds for seven new circuit judgeships.								
General Fund					3,031,200	2,010,800	(1,020,400)	4,542,700	2,975,400	(1,567,300)
Project Total					3,031,200	2,010,800	(1,020,400)	4,542,700	2,975,400	(1,567,300)
11	NEW	Court Operations and Administration - District Court								
ABR025A0013		Provide funds for an additional district judge to serve Clark and Madison Counties (25th District).								
General Fund					209,700	209,700		296,900	296,400	(500)
Project Total					209,700	209,700		296,900	296,400	(500)
12	NEW	Court Operations and Administration - AOC								
ABR025A0008		Provide funds to make seven part time security officers full time.								
General Fund					2,322,900	386,600	(1,936,300)	772,700	437,700	(335,000)
Project Total					2,322,900	386,600	(1,936,300)	772,700	437,700	(335,000)
13	NEW	Court Operations and Administration - AOC								
ABR025A0009		Provide funds for 11 full time and one part time positions for Juvenile Services and 10 full time positions for Pretrial Services.								
General Fund					1,246,900		(1,246,900)	1,203,600		(1,203,600)
Project Total					1,246,900		(1,246,900)	1,203,600		(1,203,600)
14	NEW	Court Operations and Administration - AOC								
ABR025A0011		Provide funds for civic education programs in 10 schools across the state. Provide resources for teachers.								
General Fund					510,000		(510,000)			
Project Total					510,000		(510,000)			
15	CONT	Add District Judgeship - Warren County								
ABR025A0015		Provide funds for a new district judge in Warren County (8th District).								
General Fund						182,300	182,300		250,600	250,600
Project Total						182,300	182,300		250,600	250,600

## FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

**X - Judicial Branch****Operating Budget****Court Operations & Administration**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
TOTAL ADDITIONAL				37,707,800	17,964,900	(19,742,900)	49,333,300	32,087,600	(17,245,700)

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**Court Operations and Administration**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the circuit clerks' offices. The recommendation includes funding to provide a five percent salary increment to all employees, a retirement contribution of 7.3% in fiscal year 2006-2007 and 8.1% in fiscal year 2007-2008, and increases in health insurance rates, as required by the health insurance plan.

The Judicial Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Salary Adjustments:** Funds are included to provide a five percent salary adjustment in fiscal years 2006-2007 and 2007-2008 for nonelected court personnel. Included are funds to provide for a five percent salary adjustment in fiscal years 2006-2007 and 2007-2008 for the justices and judges. Also included are funds for the salaries of the circuit clerks in fiscal years 2006-2007 and 2007-2008 as provided for in the Judicial Branch Budget Recommendation."

**"Circuit Court Judgeships:** Included in the above General Fund appropriation is \$3,066,200 in fiscal year 2006-2007 and \$4,321,400 in fiscal year 2007-2008 to support eight Circuit Court judgeships authorized by the 2005 General Assembly. Included in the above General Fund appropriation is \$2,671,200 in fiscal year 2006-2007 and \$3,986,000 in fiscal year 2007-2008 for an additional Circuit Court judgeship in the Fifty-fourth Judicial Circuit and additional Family Court judgeships in the Fourth Judicial Circuit, the Ninth Judicial Circuit, the Fourteenth Judicial Circuit, the Thirty-ninth Judicial Circuit, the Forty-ninth Judicial Circuit, and the Fifty-seventh Judicial Circuit. The General Fund appropriation also creates new circuits with Family Court divisions in the Fifty-eighth Judicial Circuit and the fifty-ninth Judicial Circuit.

**"District Court Judgeship:** Included in the above General Fund appropriation is \$209,700 in fiscal year 2006-2007 and \$296,900 in fiscal year 2007-2008 for an additional District Court judgeship in the Twenty-fifth Judicial District."

**"Mileage Reimbursement:** Included in the above General Fund appropriation is \$668,300 in fiscal year 2006-2007 and \$668,300 in fiscal year 2007-2008 to support increases in the mileage reimbursement rate."

**"Drug Court Sites:** Included in the above General Fund appropriation is \$1,448,200 in fiscal year 2006-2007 and \$1,918,600 in fiscal year 2007-2008 to replace Federal Funds for existing Drug Court sites whose funding expires during the 2006-2008 fiscal biennium.

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**Court Operations and Administration**

Included in the above General Fund appropriation is \$2,309,100 in fiscal year 2006-2007 and \$2,368,400 in fiscal year 2007-2008 to replace Restricted Funds for existing Drug Court sites whose funding is expected to expire during the 2006-2008 fiscal biennium. The above General Fund appropriation includes \$1,191,600 in fiscal year 2006-2007 and \$1,173,600 in fiscal year 2007-2008 to expand eight existing Drug Court sites. Also included in the above General Fund appropriation is \$5,484,900 in fiscal year 2006-2007 and \$5,363,200 in fiscal year 2007-2008 for 20 new Drug Court sites."

**"Deputy Clerk Salary Improvement:** Included in the above General Fund appropriation is \$1,213,900 in fiscal year 2006-2007 and \$1,274,500 in fiscal year 2007-2008 to support a deputy clerk salary enhancement initiative in the circuit clerks' offices. These amounts include an increase in the minimum entry level and a minimum across-the-board increase for those deputy clerks whose salaries are less than \$40,000."

**"Maximum Salary of Trial Commissioners:** Notwithstanding KRS 24A.100(3), funds are included in the above General Fund appropriation to continue the statutory maximum salary of trial commissioners as provided for in the Judicial Branch Budget Recommendation."

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch with the following changes.

The General Assembly reduces General Fund support totaling \$22,042,900 in fiscal year 2006-2007 and totaling \$19,545,700 in fiscal year 2007-2008 for Court Operations and Administration.

The General Assembly increases the Restricted Funds support totaling \$2,300,000 in each fiscal year for the operation of drug courts.

The General Assembly provides for a retirement contribution factor of 7.75 % in fiscal year 2006-2007 and 8.5% in fiscal year 2007-2008.

The General Assembly deletes a Part I language provision as follows:

**"Mileage Reimbursement:** Included in the above General Fund appropriation is \$668,300 in fiscal year 2006-2007 and \$668,300 in fiscal year 2007-2008 to support increases in the mileage reimbursement rate."

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**Court Operations and Administration**

The General Assembly amends the Judicial Branch Budget Bill, Part I, Operating Budget, to include the following language provisions.

**"Salary Adjustments:** Funds are included to provide a salary adjustment in fiscal years 2006-2007 and 2007-2008 for nonelected court personnel. Included are funds to provide for a salary adjustment in fiscal years 2006-2007 and 2007-2008 for the justices and judges. Also included are funds for the salaries of the circuit clerks in fiscal years 2006-2007 and 2007-2008.

Notwithstanding KRS 18A.355(1), in fiscal year 2006-2007 and in fiscal year 2007-2008 a salary adjustment amounting to an annualized value on the base salary or wages of each eligible full-time and part-time employee on their anniversary date is provided. The amount of the salary adjustment is determined by each eligible employee's annual base salary or wages on their anniversary date, and the following table reflects the annualized values of the salary adjustment for fiscal year 2006-2007 and fiscal year 2007-2008.

<b>Annual Base Salary or Wages</b>	<b>2006-07</b>	<b>2007-08</b>
\$0 to \$30,000.00	\$1,350	\$1,350
\$30,000.01 to \$50,000.00	\$1,200	\$1,200
\$50,000.01 to \$60,000.00	\$1,000	\$1,000
\$60,000.01 to \$80,000.00	\$600	\$600
\$80,000.01 and above	\$400	\$400

Commencing with an eligible employee's anniversary date, the salary adjustment shall be added to the eligible employee's base salary or wages and shall be disbursed by payroll period in a one-twenty-fourth installment for the duration of the employment. The Chief Justice of the Supreme Court shall determine the pro rata amount of the salary adjustment to be provided to part-time employees. The salary adjustment shall be a part of the salary or wage base of the employee."

**"Drug Court Sites:** Included in the above General Fund appropriation is \$1,300,000 in fiscal year 2006-2007 and \$1,725,000 in fiscal year 2007-2008 to replace Federal Funds for existing Drug Court sites whose funding expires during the 2006-2008 fiscal biennium. The above General Fund appropriation includes \$980,000 in fiscal year 2007-2008 to expand eight existing Drug Court sites. Also included in the above General Fund appropriation is \$4,770,000 in fiscal year 2007-2008 for 20 new Drug Court sites."

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**Court Operations and Administration**

**"Circuit Court Judgeships:** Included in the above General Fund appropriation is funding in fiscal year 2006-2007 and fiscal year 2007-2008 to support eight Circuit Court judgeships authorized by the 2005 General Assembly. Included in the above General Fund appropriation is funding in fiscal year 2006-2007 and fiscal year 2007-2008 for additional Circuit Court judgeships in the Fourth Judicial Circuit, the Ninth Judicial Circuit, the Fourteenth Judicial Circuit, the Thirty-ninth Judicial Circuit, the Forty-ninth Judicial Circuit, Fifty-fourth Judicial Circuit, and the Fifty-seventh Judicial Circuit."

**"District Court Judgeships:** Included in the above General Fund appropriation is funding in fiscal year 2006-2007 and fiscal year 2007-2008 for an additional District Court judgeship in the Twenty-fifth Judicial District. Also included in the above General Fund appropriation is in fiscal year 2006-2007 and fiscal year 2007-2008 for an additional District Court judgeship in the Eighth Judicial District."



# FB 2006-2008 FINAL BUDGET MEMORANDUM - 2006 REGULAR SESSION OF THE GENERAL ASSEMBLY

## X - Judicial Branch

## Operating Budget

### Local Facilities Fund

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>4 NEW Local Facilities Fund</b>								
ABR025B0002	Provide funds for three new facilities officers.							
General Fund			191,800		(191,800)	187,400		(187,400)
<b>Project Total</b>			<b>191,800</b>		<b>(191,800)</b>	<b>187,400</b>		<b>(187,400)</b>
<b>5 CONT Local Facilities Fund</b>								
ABR025B0006	Increase scope of Pendleton County Courthouse. Provide additional operating, use allowance, and non-recurring furniture and equipment costs.							
General Fund						834,900		(834,900)
<b>Project Total</b>						<b>834,900</b>		<b>(834,900)</b>
<b>6 CONT Fayette County Courthouses</b>								
ABR025B0008	Interview room improvements.							
General Fund				300,000	300,000			
<b>Project Total</b>				<b>300,000</b>	<b>300,000</b>			
<b>TOTAL ADDITIONAL</b>			<b>830,800</b>	<b>800,000</b>	<b>(30,800)</b>	<b>2,234,700</b>	<b>1,033,000</b>	<b>(1,201,700)</b>

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**Local Facilities Fund**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the circuit clerk's offices. The recommendation includes funding to provide a five percent salary increment to all employees, a retirement contribution of 7.3% in fiscal year 2006-2007 and 8.1% in fiscal year 2007-2008, and increases in health insurance rates, as required by the health care plan.

The Judicial Branch Budget Bill, Part I, Operating Budget includes language provisions that direct:

**"Local Court Facility Compensation:** Included in the above appropriation are moneys to compensate local units of government for providing court space and for costs incurred in the development of local court facilities as defined in KRS Chapter 26A and provided in Part II of this Act, and to perform all other acts required or authorized by KRS Chapter 26A."

**"Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2005-2006 shall not lapse and shall continue into fiscal year 2006-2007, and any unexpended balance remaining at the close of fiscal year 2006-2007 shall not lapse and shall be continued into fiscal year 2007-2008."

**"Fayette County Courthouse Use Allowance:** The use allowance for the Fayette County Courthouse is contingent upon Short Street in Lexington, Kentucky, remaining open to vehicular traffic."

**"Local Facility Project Increase:** Included in the above General Fund appropriation is \$834,900 in fiscal year 2007-2008 to support additional operating, use allowance, and nonrecurring furniture and equipment costs for the Pendleton County facility project as authorized in Part II of this Act."

Included in the General Fund support for the Local Facilities Fund is \$21,514,200 in fiscal year 2007-2008 for fifteen court projects and three pool court projects that were authorized in the 2005 Session of the General Assembly. Funding levels for use allowance payments are based on occupancy date and include the amount required for the operating and use allowance payments as well as non-recurring expenditures for furniture and equipment. Use allowance is based on a county debt service interest rate of 6.25% and a county bond term of 20 years.

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**Local Facilities Fund**

The Judicial Branch Budget Bill, Part II, Capital Projects includes the following language provisions:

**"Authorized Local Facilities Projects and Deferred Use Allowance**

			<b>Maximum</b>	
			<b>Annualized</b>	
<b>Rank</b>	<b>Project</b>	<b>Project Scope</b>	<b>Use Allowance</b>	<b>Total Funds</b>
001.	Campbell	29,284,000	2,621,000	4,886,000
002.	Wolfe	11,395,000	1,020,000	1,772,000
003.	Todd	9,537,000	854,000	1,469,000
004.	Garrard	11,598,000	1,038,000	1,793,000
005.	Franklin	29,114,000	2,606,000	4,701,000
006.	Hancock	11,715,000	1,049,000	1,793,000
007.	Mercer	11,963,000	1,071,000	1,929,000
008.	Russell	11,720,000	1,049,000	1,813,000
009.	Hopkins	20,492,000	1,834,000	3,305,000
010.	Owen	11,471,000	1,027,000	1,791,000
011.	Breckinridge	11,481,000	1,027,600	1,756,000
012.	Fleming	11,536,000	1,033,000	1,778,000

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**Local Facilities Fund**

013.	Whitley	18,901,000	1,692,000	2,953,000
014.	Monroe	11,207,000	1,003,000	1,710,000
015.	Rowan	13,044,000	1,168,000	2,024,000
016.	Pike	28,413,000	2,545,000	4,606,000"

**"Deferred Funding:** General Fund support to provide operating support totaling \$4,724,300, annualized use allowance payments totaling \$22,637,600, and non-recurring furniture and equipment costs totaling \$14,929,000, less offsetting payments made for existing facilities totaling \$2,211,600, for the above local facilities projects is deferred to the 2008-2010 fiscal biennium pending action of the 2008 General Assembly."

**"Local Facility Project – Additional Scope**

a.	Pendleton – Additional Scope	6,010,100	-0-"
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**"Local Facilities Projects - Authorized:** Nothing in this Act shall reduce the funding of court facility projects authorized by the General Assembly"

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Report with the following changes:

The General Assembly reduces General Fund support totaling \$2,090,000 in fiscal year 2006-2007 and totaling \$4,274,500 in fiscal year 2007-2008 for Local Facilities.

The General Assembly provides for pay increases for Local Facilities staff as specified in the Court Operations and Administration budget unit.

The General Assembly provides for retirement contributions of 7.75% in fiscal year 2005-2006 and 8.5% in fiscal year 2007-2008.

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**Local Facilities Fund**

The General Assembly deleted all court facility projects from the Judicial Branch Budget Bill and included them in the State/Executive Branch Budget Bill.

The General Assembly deleted the authorization for the increase in scope of the Pendleton County Court Facility project from the Judicial Branch Budget Bill and included it in the State/Executive Branch Budget Bill with an increase from \$6,010,100 to \$8,010,100.

The General Assembly deleted \$834,900 in General Fund for fiscal year 2007-2008 to support additional operating, use allowance, and furniture and equipment costs for the Pendleton County Court facility project.

The General Assembly amends the Judicial Branch Budget Bill, Part I, Operating Budget to include the following language provision.

**"Fayette County Courthouses:** Included in the above General Fund appropriation is \$300,000 in fiscal year 2006-2007 for improvements to the 14 client interview areas in the Fayette County Courthouses."

The General Assembly amends the Judicial Branch Budget Bill, Part I, Operating Budget to delete the following language provision.

**"Deferred Funding:** General Fund support to provide operating support totaling \$4,927,300, annualized use allowance payments totaling \$23,692,600, and non-recurring furniture and equipment costs totaling \$15,560,000, less offsetting payments made for existing facilities totaling \$2,279,600, for the above local facilities projects is deferred to the 2008-2010 fiscal biennium pending action of the 2008 General Assembly."

**"Local Facility Project Increase:** Included in the above General Fund appropriation is \$834,900 in fiscal year 2007-2008 to support additional operating, use allowance, and nonrecurring furniture and equipment costs for the Pendleton County facility project as authorized in Part II of this Act."

The Governor of the Commonwealth vetoes, in part, the following:

Partial Veto #1 of HB 382 - *"I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky Constitution, do hereby veto the following part:*

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**Local Facilities Fund**

Page 4, line 4, after the word "to", delete "14".

*A veto of this part is necessary as the facilities department of the Administrative Office of the Courts should be free to implement the design and alteration of the Fayette County Courthouses as it determines to be in the best interest of the public."*

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**X - Judicial Branch****Capital Budget****Local Facilities Fund**

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

**I. CAPITAL PROJECT RECAP BY FUND SOURCE**

General Fund

Other Funds

**TOTAL CAPITAL****II. CAPITAL PROJECTS****1 Construct Judicial Center in Campbell County - Project Scope \$29,284,000**

PRJ025B1325

Other Funds

**Project Total****2 Construct Judicial Center in Wolfe County - Project Scope \$11,395,000**

PRJ025B1324

Other Funds

**Project Total****3 Construct Judicial Center in Todd County - Project Scope \$9,537,000**

PRJ025B1331

Other Funds

**Project Total****4 Construct Judicial Center in Garrard County - Project Scope \$11,598,000**

PRJ025B1328

Other Funds

**Project Total****5 Construct Judicial Center in Franklin County - Project Scope \$29,114,000**

PRJ025B1327

Other Funds

**Project Total****6 Construct Judicial Center in Hancock County - Project Scope \$11,715,000**

PRJ025B1329

Other Funds

**Project Total**

## X - Judicial Branch

## Capital Budget

### Local Facilities Fund

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
7	Construct Judicial Center in Mercer County - Project Scope		\$11,963,000					
PRJ025B1330								
Other Funds								
Project Total								
8	Construct Judicial Center in Russell County - Project Scope		\$11,720,000					
PRJ025B1336								
Other Funds								
Project Total								
9	Construct Judicial Center in Hopkins County - Project Scope		\$20,492,000					
PRJ025B2580								
Other Funds								
Project Total								
10	Construct Judicial Center in Owen County - Project Scope		\$11,471,000					
PRJ025B1333								
Other Funds								
Project Total								
11	Construct Judicial Center in Breckinridge County - Project Scope		\$11,481,000					
PRJ025B1332								
Other Funds								
Project Total								
12	Construct Judicial Center in Fleming County - Project Scope		\$11,536,000					
PRJ025B1326								
Other Funds								
Project Total								
13	Construct Judicial Center in Whitley County- Project Scope		\$18,901,000					
PRJ025B1334								
Other Funds								
Project Total								
14	Construct Judicial Center in Monroe County - Project Scope		\$11,207,000					
PRJ025B1323								
Other Funds								
Project Total								

## X - Judicial Branch

## Capital Budget

### Local Facilities Fund

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
15	Construct Judicial Center in Rowan County - Project Scope		\$13,044,000					
PRJ025B2581								
Other Funds								
Project Total								
16	Construct Judicial Center in Pike County - Project Scope		\$28,413,000					
PRJ025B1335								
Other Funds								
Project Total								
17	Lease - Admin. Office of the Courts/Central Office							
PRJ025B2582								
General Fund								
Project Total								
18	Lease - Court of Appeals/Central Office							
PRJ025B2584								
General Fund								
Project Total								
19	Lease - Jefferson County Courts Parking							
PRJ025B2583								
General Fund								
Project Total								
20	Construct Judicial Center in Pendleton County - Scope Increase		\$8,010,100					
PRJ025B2586								
Other Funds								
Project Total								
21	Construct Judicial Center in Marion County - Project Scope		\$11,781,000					
PRJ025B2588								
Other Funds								
Project Total								
TOTAL CAPITAL								

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**X - Judicial Branch****Operating Budget****Use Allowance Contingency Fund**

Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

**I. APPROPRIATIONS SUMMARY BY FUND SOURCE**

General Fund

**Regular Total Funds**

Use of Continuing	89,100	89,100
<b>TOTAL FUNDS</b>	<b>89,100</b>	<b>89,100</b>

**II. EXPENDITURE CATEGORY**

Operating Expenses	89,100	89,100
<b>TOTAL EXPENDITURES</b>	<b>89,100</b>	<b>89,100</b>

**III. BASE LEVEL BUDGET BY FUND SOURCE**

General Fund

**Regular Total Funds**

Use of Continuing	89,100	89,100
<b>TOTAL BASE LEVEL</b>	<b>89,100</b>	<b>89,100</b>

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**Local Facilities Use Allowance Contingency Fund**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the circuit clerks' offices.

The Judicial Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Funds Carry Forward:** Notwithstanding KRS 45.229, any unexpended balance remaining at the close of fiscal year 2005-2006 shall not lapse and shall continue into fiscal year 2006-2007, and any unexpended balance remaining at the close of fiscal year 2006-2007 shall not lapse and shall be continued into fiscal year 2007-2008 to provide for cost overruns in authorized court facilities projects not to exceed 15 percent of the use allowance in accordance with KRS Chapter 26A."

The Judicial Branch Budget Bill, Part II, Capital Budget includes the following provision:

**"Local Facilities Use Allowance Contingency Fund:** For any court facility project which is occupied and use allowance funding is insufficient, the use allowance payments shall be approved from the Local Facilities Use Allowance Contingency Fund. If funds are not available in the Local Facilities Use Allowance Contingency Fund, the use allowance payments shall be deemed a necessary governmental expense (General Fund Surplus Account, KRS 48.700)."

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch.

**X - Judicial Branch****Operating Budget****Judicial Form Retirement System**

	Fiscal Year 2005-2006			Fiscal Year 2006-2007			Fiscal Year 2007-2008		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	2,303,300	2,303,300		3,247,500	3,247,500		3,255,200	3,255,200	
<b>Regular Total Funds</b>	<b>2,303,300</b>	<b>2,303,300</b>		<b>3,247,500</b>	<b>3,247,500</b>		<b>3,255,200</b>	<b>3,255,200</b>	
Use of Continuing									
<b>TOTAL FUNDS</b>	<b>2,303,300</b>	<b>2,303,300</b>		<b>3,247,500</b>	<b>3,247,500</b>		<b>3,255,200</b>	<b>3,255,200</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	390,800	390,800		412,300	412,300		420,000	420,000	
Operating Expenses	1,912,500	1,912,500		2,835,200	2,835,200		2,835,200	2,835,200	
<b>TOTAL EXPENDITURES</b>	<b>2,303,300</b>	<b>2,303,300</b>		<b>3,247,500</b>	<b>3,247,500</b>		<b>3,255,200</b>	<b>3,255,200</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	2,303,300	2,303,300		2,303,300	2,303,300		2,303,300	2,303,300	
<b>Regular Total Funds</b>	<b>2,303,300</b>	<b>2,303,300</b>		<b>2,303,300</b>	<b>2,303,300</b>		<b>2,303,300</b>	<b>2,303,300</b>	
Use of Continuing									
<b>TOTAL BASE LEVEL</b>	<b>2,303,300</b>	<b>2,303,300</b>		<b>2,303,300</b>	<b>2,303,300</b>		<b>2,303,300</b>	<b>2,303,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				944,200	944,200		951,900	951,900	
<b>TOTAL ADDITIONAL</b>				<b>944,200</b>	<b>944,200</b>		<b>951,900</b>	<b>951,900</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 DC</b>	<b>Defined Calculation</b>								
ABR020DC0001	Provide funds for salary increment and increase in benefits cost for staff, and increase the state contribution to the retirement system.								
General Fund				944,200	944,200		951,900	951,900	
<b>Project Total</b>				<b>944,200</b>	<b>944,200</b>		<b>951,900</b>	<b>951,900</b>	
<b>TOTAL ADDITIONAL</b>				<b>944,200</b>	<b>944,200</b>		<b>951,900</b>	<b>951,900</b>	

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**Judicial Form Retirement System**

**BRANCH BUDGET**

The Judicial Branch Budget Bill continues services and statutory programs of the Judicial Branch of the government of the Commonwealth of Kentucky, including the Supreme Court, Court of Appeals, Circuit Court, Family Court, District Court, Administrative Office of the Courts, Judicial Retirement, Local Facilities Fund, Local Facilities Use Allowance Contingency Fund, and for services performed by the circuit clerk's offices. The recommendation includes funding to provide a five percent salary increment to all employees, a retirement contribution based on the actuarial cost, and increases in health insurance rates, as required by the health care plan.

The Judicial Branch Budget Bill, Part I, Operating Budget includes a language provision that directs:

**"Judicial Retirement Benefits:** General Fund amounts are included to provide actuarial assessed judicial retirement benefits, pursuant to KRS 21.345 to 21.580."

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch.

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**Judicial Part III - General Provisions**

**BRANCH BUDGET**

The Judicial Branch Budget Bill, Part III, General Provisions, includes the following directives:

**"Expenditure Authority:** The Director of the Administrative Office of the Courts, with the approval of the Chief Justice, may expend any of the funds appropriated for the court operation and administration in any lawful manner and for any legal purpose that the Chief Justice shall authorize or direct. No executive agency of state government shall have the power to restrict or limit the expenditure of funds appropriated to the Judicial Branch of government.

**Permissible Obligations Against General Fund Appropriations:** The Court of Justice shall not incur any obligation for any program against the General Fund appropriations contained in this Act unless that program may be reasonably determined to have been contemplated by the proposed judicial budget, as modified and enacted, and supported by the statutory budget memorandum and other pertinent records.

**Severability of Budget Provisions:** Appropriation items and sums in this Act conform to KRS 48.311. If any section, any subsection, or any provisions thereof shall be invalid or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions.

**Duplicate Appropriations:** Any appropriation item and sum in this Act and in an appropriation provision in another Act of the 2006 General Assembly which constitutes a duplicate appropriation shall be governed by KRS 48.312.

**Priority of Individual Appropriations:** KRS 48.313 shall control when a total or subtotal figure in this Act conflicts with the sum of the appropriations of which it consists.

**Carry Forward of Restricted and Federal Funds:** Notwithstanding KRS 45.229, any unexpended balance remaining in the Court's Restricted Funds accounts or Federal Funds accounts at the close of the fiscal years ending June 30, 2006, and June 30, 2007, shall not lapse and shall continue into the next fiscal year.

**Final Budget Document:** The Chief Justice shall cause the Director of the Administrative Office of the Courts to prepare a final budget document reflecting the 2006-2008 biennial budget of the Court of Justice. A copy shall be provided to the Legislative Research Commission and an informational copy shall be furnished to the Finance and Administration Cabinet within 60 days of the adjournment of the 2006 Regular Session of the General Assembly.

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**Judicial Part III - General Provisions**

**Transferability of Funds:** The Chief Justice of the Commonwealth of Kentucky shall have the ability to transfer funds to other programs and budget units within the Judicial Branch. Any funds transferred to other budget units within the Judicial Branch may be used to support any activity, program, or operation of the budget unit or program receiving the respective funds.

**KLEO Continuation Funding:** Funding for the Kentucky Legal Education Opportunities (KLEO) Program has been continued during fiscal years 2006-2007 and 2007-2008.

**Appropriations Revisions:** Proposed revisions to Restricted Funds and Federal Funds appropriations in this Act shall be made and reported pursuant to KRS 48.630(10). The Director of the Administrative Office of the Courts shall notify on a timely basis the Legislative Research Commission of the most current estimates of anticipated receipts for the affected fiscal year and an accompanying statement which explains such variations from the anticipated amount."

**GENERAL ASSEMBLY**

The General Assembly concurs with the branch with the following changes:

The General Assembly deletes the following language provision:

**"KLEO Continuation Funding:** Funding for the Kentucky Legal Education Opportunities (KLEO) Program has been continued during fiscal years 2006-2007 and 2007-2008 at the current level of \$250,000 each year"

The General Assembly adds the language provisions as follows:

**"General Fund Expenditure Reductions through Efficiencies:** The Chief Justice shall reduce General Fund expenditures appropriated in this Act by \$2,500,000 in fiscal year 2006-2007 and by \$2,500,000 in fiscal year 2007-2008 by reducing waste, fraud, and abuse, and by creating additional savings through increased efficiencies."

**"Judicial Retirement:** To achieve consistency with the Kentucky Court of Justice Personnel Policy Section 6.03(2), with respect to nonelected employees, the compensation payable to any Justice or Judge, elected after January 1, 2007, receiving retirement benefits from the Judicial Retirement Plan on account of prior judicial service shall be fixed at an amount whereby his or her total salary and retirement benefits shall not exceed the salary fixed for the judicial office held."

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**Judicial Part III - General Provisions**

The Governor of the Commonwealth vetoes, in part, the following:

Partial Veto #2 of HB 382 - *"I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under section 88 of the Kentucky Constitution, do hereby veto the following part:*

Page 6, lines 9 through 13, in their entirety.

*A veto of this part is necessary as it is inconsistent with Part III, Section I, of House Bill 382."*

Partial Veto #3 of HB 382 - *"I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under section 88 of the Kentucky Constitution, do hereby veto the following part:*

Page 7, line 20, after the word "Judge" delete ", elected after January 1, 2007,."

*A veto of this part is necessary to ensure that judges on the election ballot in November of 2006 cannot retire early and return to work at the commencement of the new term in January 2007, and receive both retirement benefits and salaried compensation."*

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**Judicial Part IV - Budget Reduction or Surplus Expenditure Plan**

**BRANCH BUDGET**

The Judicial Branch Budget Bill, Part IV, Budget Reduction or Surplus Expenditure Plan, includes the following directive:

The Judicial Branch shall participate in any Budget Reduction Plan or Surplus Expenditure Plan in accordance with the provisions of KRS Chapter 48.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch.

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**Judicial Part V - Judicial District and Circuits**

**BRANCH REPORT**

The Branch did not include a Part V, Judicial Districts and Circuits.

**GENERAL ASSEMBLY**

The General Assembly added Part V, Judicial Districts and Circuits as codified language as follows:

Section 1. KRS 23A.040, effective July 15, 2006, is amended to read as follows:

The following judicial circuits are entitled to two (2) judges and shall have two (2) numbered divisions of the Circuit Court:

- (1) **Fourth Judicial Circuit.**
- (2) Fifth Judicial Circuit.
- ~~(3) [(2)] Sixth Judicial Circuit.~~
- ~~(4) [(3)] Tenth Judicial Circuit.~~
- ~~(5) [(4)] Eleventh Judicial Circuit.~~
- ~~(6) [(5)] Twelfth Judicial Circuit.~~
- ~~(7) [(6)] Thirteenth Judicial Circuit.~~
- ~~[(7) — Fourteenth Judicial Circuit.]~~
- (8) Eighteenth Judicial Circuit.
- (9) Twentieth Judicial Circuit.
- (10) Twenty-first Judicial Circuit.
- (11) Twenty-fourth Judicial Circuit.
- (12) Thirty-second Judicial Circuit.
- (13) Thirty-fourth Judicial Circuit.
- (14) Thirty-seventh Judicial Circuit.
- (15) Thirty-eighth Judicial Circuit.
- (16) **Thirty-ninth Judicial Circuit.**
- (17) Forty-first Judicial Circuit.
- ~~(18) [(17)] Forty-second Judicial Circuit.~~
- ~~(19) [(18)] Forty-third Judicial Circuit.~~
- ~~(20) [(19)] Forty-sixth Judicial Circuit.~~
- (21) **Forty-ninth Judicial Circuit.**

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**Judicial Part V - Judicial District and Circuits**

- ~~(22)~~~~[(20)]~~ Fiftieth Judicial Circuit.
- ~~(23)~~~~[(21)]~~ Fifty-first Judicial Circuit.
- ~~(24)~~~~[(22)]~~ Fifty-third Judicial Circuit.
- ~~[(23)]~~ ~~Fifty-fourth Judicial Circuit.~~
- ~~(25)~~~~[(24)]~~ Fifty-fifth Judicial Circuit.
- (26) Fifty-seventh Judicial Circuit.**

Section 2. KRS 23A.045, effective July 15, 2006, is amended to read as follows:

The following judicial circuits are entitled to three (3) Circuit Judges and shall have three (3) numbered divisions of the Circuit Court:

- (1) Second Judicial Circuit.
- (2) Third Judicial Circuit.
- (3) **Fourteenth**~~[(Ninth)]~~ Judicial Circuit.
- (4) Seventeenth Judicial Circuit.
- (5) Twenty-seventh Judicial Circuit.
- (6) Twenty-eighth Judicial Circuit.
- (7) Thirty-first Judicial Circuit.
- (8) Thirty-fifth Judicial Circuit.
- (9) Forty-eighth Judicial Circuit.
- (10) Fifty-fourth Judicial Circuit.**

Section 3. KRS 23A.050, effective July 15, 2006, is amended to read as follows:

The following judicial circuits are entitled to four (4) judges and shall have four (4) numbered divisions of the Circuit Court:

- (1) Eighth Judicial Circuit.
- (2) **Ninth Judicial Circuit.**
- (3)** Sixteenth Judicial Circuit.
- (4)**~~[(3)]~~ Twenty-fifth Judicial Circuit.

Section 4. KRS 24A.050, effective January 1, 2007, is amended to read as follows:

The following judicial districts are entitled to two (2) District Judges and shall have two (2) numbered divisions of the District Court:

- (1) Second Judicial District.
- (2) Third Judicial District.
- (3) Fourth Judicial District.
- ~~(4)~~~~[(Eighth)]~~ ~~Judicial District.~~
- ~~(5)~~ Ninth Judicial District.

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**Judicial Part V - Judicial District and Circuits**

~~(5)~~~~(6)~~ Eleventh Judicial District.  
~~(6)~~~~(7)~~ Twelfth Judicial District.  
~~(7)~~~~(8)~~ Thirteenth Judicial District.  
~~(8)~~~~(9)~~ Fourteenth Judicial District.  
~~(9)~~~~(10)~~ Fifteenth Judicial District.  
~~(10)~~~~(11)~~ Seventeenth Judicial District.  
~~(11)~~~~(12)~~ Twenty-first Judicial District.  
~~(12)~~~~(13)~~ Twenty-fourth Judicial District.  
~~(13)~~~~(14)~~ ~~Twenty-fifth Judicial District.~~  
~~(15)~~ Twenty-seventh Judicial District.  
~~(14)~~~~(16)~~ Twenty-eighth Judicial District.  
~~(15)~~~~(17)~~ Thirty-first Judicial District.  
~~(16)~~~~(18)~~ Thirty-second Judicial District.  
~~(17)~~~~(19)~~ Thirty-fourth Judicial District.  
~~(18)~~~~(20)~~ Thirty-fifth Judicial District.  
~~(19)~~~~(21)~~ Thirty-eighth Judicial District.  
~~(20)~~~~(22)~~ Fortieth Judicial District.  
~~(21)~~~~(23)~~ Forty-first Judicial District.  
~~(22)~~~~(24)~~ Forty-sixth Judicial District.  
~~(23)~~~~(25)~~ Forty-eighth Judicial District.  
~~(24)~~~~(26)~~ Fifty-first Judicial District.  
~~(25)~~~~(27)~~ Fifty-third Judicial District.  
~~(26)~~~~(28)~~ Fifty-fourth Judicial District.  
~~(27)~~~~(29)~~ Fifty-fifth Judicial District.  
~~(28)~~~~(30)~~ Fifty-sixth Judicial District.

Section 5. KRS 24A.060, effective January 1, 2007, is amended to read as follows:

**The following judicial district are entitled to three (3) District Judges and shall have three (3) numbered divisions of the District Court:**

- (1) Sixth Judicial District.**
- (2) Eighth Judicial District.**

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**Judicial Part V - Judicial District and Circuits**

**(3) Twenty-fifth Judicial District** ~~[The Sixth Judicial District is entitled to three (3) District Judges and shall have three (3) numbered divisions of the District Court].~~

Section 6. The new judgeships created by Sections 1 to 5 of this Part shall become effective January 1, 2007, and an election to fill each new judgeship shall be placed on the ballot for the general election held in November, 2006. Notwithstanding KRS 118A.060(2), a candidate for a judgeship created by Sections 1 to 5 of this Part may file a petition for nomination during the time period beginning on the effective date of this Act and ending at 4 p.m. local time at the place of filing on August 8, 2006. KRS Chapter 118A notwithstanding, all candidates for a judgeship created by Sections 1 to 5 of this Part who file a valid petition for nomination shall be placed on the ballot.

The Governor of the Commonwealth vetoes, in part, the following:

Partial veto #4 of HB 382 - *"I, Ernie Fletcher, Governor of the Commonwealth of Kentucky, pursuant to the authority granted under Section 88 of the Kentucky Constitution, do hereby veto the following parts:*

Page 8, line 9 after "KS 23A.040", delete ", effective July 15, 2006".

Page 9, line 13, after "KS 23A.045", delete ",effective July 15, 2006,".

Page 9, line 26, after "KS 23A.050", delete ", effective July, 15,".

On page 11, line 20, after "2007", delete ", and an election to fill each new judgeship shall be placed on".

Page 11, lines 21 through 25 in their entirety.

Page 11, line 26, delete "file a valid petition for nomination shall be placed on the ballot".

*A veto of these parts is necessary as they are inconsistent with the language regarding the effective dates of the new judgeships created by House Bill 382. Furthermore, the language of Part V, section 6, is at odds with the requirements of the Kentucky Constitution."*